I.

Oregon Physicians' Service was incorporated as a private corporation under the general laws of the State of Oregon on December 12, 1941. The principal place of business as stated in its Articles of Incorporation is the City of Salem, County of Marion, and State of Oregon.

II.

No organization sponsoring prepaid medical care plans was absorbed by or incorporated into OPS. However in the case of the organizations hereinafter named, each of them used its good offices to aid OPS in procuring renewals of contracts theretofore in force with such organization; and such organization thereafter ceased engaging in
149 writing contracts. Said organizations and the respective dates on which they ceased doing business are as follows:

Southern Oregon Medical Service Association	Medford	Jan. 1, 1943
Multnomah Medical Service Bureau	Portland	Jan. 1, 1943
Physicians and Surgeons Hospital Association	Salem	Jan. 1, 1943

III.

The authorized Capital Stock of Oregon Physicians' Service consists of 110 shares of Class A Common Stock of the par value of $50 each, and 1,780 shares of Class AA Common Stock of the par value of $25 each. Class A Common Stock may be held only by such persons as are members in good standing of the Oregon State Medical Society. Class AA Common Stock may be held only by persons who are members of the Oregon State Medical Society or eligible to such membership. The par values of both classes of Capital Stock have remained as established in the Articles of Incorporation at $50 per share and $25 per share respectively for Class A Common Stock and Class AA Common Stock, up to and including October 18, 1948. The outstanding shares of each class of Capital Stock on June 30 of each year from 1943 through 1948 are as follows:

Date	Class A—Capital Stock Shares Outstanding	Class AA Capital Stock Shares Outstanding
June 30, 1943	110	88
June 30, 1944	110	238
June 30, 1945	110	846
June 30, 1946	110	953
June 30, 1947	110	1278
June 30, 1948	110	1429

IV.

The profits or losses of OPS during each fiscal year of its operation are as follows:

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Fiscal Year Ending:	Profit or Loss
June 30, 1942	$ 999.50—loss
June 30, 1943	469.73—profit
June 30, 1944	1,455.09—profit
June 30, 1945	201.29—loss
June 30, 1946	none
June 30, 1947	none
June 30, 1948	none

VI.

In order to be selected as an officer, director, trustee, or member of the executive committee of the Oregon Physicians' Service, a person must be a member in good standing of the Oregon State Medical Society.

VIII.

The operation of Oregon Physicians' Service is approved by the Oregon State Medical Society and such approval was rendered on or about November 1, 1941.

IX.

The date upon which the Bureau of Medical Economics of the Oregon State Medical Society ceased to function, and the reasons therefor, are not known to Oregon Physicians' Service.

X.

Oregon Physicians' Service is approved by the Council on Medical Service of the American Medical Association and such approval was first granted on or about June 15, 1946.

XI.

Under the terms of its Articles of Incorporation and By-Laws, Oregon Physicians' Service may alter the schedule of fees paid to its physicians and/or hospitals, the charges made to persons with whom OPS contracts to provide or pay for medical care, the type or quantity of medical care which OPS contracts to provide or pay for, or the limitations upon the income levels of persons with whom it will contract, without the approval of the Oregon State Medical Society. However, it is customary for OPS to refer
151 changes in the type or quantity of medical care which it contracts to provide or pay for, to the Oregon State Medical Society for prior approval.

XII.

In order to be eligible as a director of Oregon Physicians' Service a person must be a member of the Board of Trustees and/or a Class A Stockholder of Oregon Physicians' Service.

XIII.

Oregon Physicians' Service is a member of and has participated in the activities of the Associated Medical Care Plans, Incorporated (Blue Shield). Associated Medical Care Plans, Incorporated (Blue Shield) is a trade organization of prepaid medical service plans located in the United States, its territories and the Dominion of Canada, and its activities consist of the compilation of actuarial data and statistics, the dissemination to member plans of accumulated information concerning prepaid coverages, administrative procedures, promotion and advertising, public and professional relations procedures, and such other assistance as customarily is rendered by a trade association. Oregon Physicians' Service has participated in the activities of Associated Medical Care Plans, Incorporated (Blue Shield) since on or about February 15, 1946, and such participation has consisted of the provision of information concerning OPS operations for the use of other member plans together with the receiving of similar information provided by other member plans.

XV.

During the period from June 1, 1942, to December 12, 1943, Oregon Physicians' Service held a medical service

contract with Oregon Shipbuilding Corporation for the coverage of its subscribing employes and during this same period a contract was held by the Northwest Hospital Service Plan (Blue Cross) with the Oregon Shipbuilding Corporation for the furnishing of hospitalization ser-
152 vices to the same subscribing employes. During the period from August 1, 1942 to December 12, 1943, Oregon Physicians' Service held a medical service contract with Kaiser Company, Inc. (Swan Island) for the coverage of its subscribing employes and during this same period the Northwest Hospital Service Plan (Blue Cross) held a contract with Kaiser Company, Inc. (Swan Island) for the furnishing of hospitalization services to these same subscribing employes. These contracts operated concurrently during the above stated period and there was no agreement between Oregon Physicians' Service and Northwest Hospital Service Plan (Blue Cross) with regard to this joint operation other than that each agreed to cooperate with the other on an informal basis to make the over-all services satisfactory for the subscribing employes of both companies. The Oregon Shipbuilding Corporation and the Kaiser Company, Inc. (Swan Island) cancelled their contracts with both Oregon Physicians' Service and the Northwest Hospital Service Plan (Blue Cross) effective on December 12, 1943, and the two shipbuilding corporations then entered into combined medical and hospital service contracts solely with Oregon Physicians' Service effective on that date. Other than the above-stated relationship involved in the providing of services for employes of Oregon Shipbuilding Corporation and Kaiser Company, Inc. (Swan Island), Oregon Physicians' Service and Northwest Hospital Service Plan (Blue Cross) never have maintained any relationship whatsoever.

XVI.

From its date of incorporation to October 18, 1948, Oregon Physicians' Service has utilized a standard type of Cooperating Physicians' Agreement for use in establishing the agreed arrangements between Oregon Physicians' Service and its participating physicians. A copy of this standard Cooperating Physicians' Agreement is attached hereto.

The Full Coverage Medical and Hospital Contract
153 form has been utilized by OPS in entering into contracts with employers from the date of the incorporation of OPS to October 18, 1948. A copy of this contract form is attached hereto.

A Full Coverage Medical and Hospital Contract form has been utilized by Oregon Physicians' Service in effecting contractual arrangements with groups of employes or trade association groups wherein for any reason contracts are not entered into by employers on behalf of employes. This is known as "B" type OPS contract and a copy of same is attached hereto. This type of contract has been utilized by OPS from the date of its incorporation to October 18, 1948.

For the period from May 1, 1946, to October 18, 1948, OPS has utilized a Family Coverage Rider form which has been written for the coverage of families of employe group subscribers already protected under employe group contracts. A copy of this form is included herewith.

During the period from October 1, 1947, to October 18, 1948, OPS has utilized a contract form for the coverage of employed individuals and also during this period has utilized a contract form for the coverage of family members of employed individual subscribers. Copies of these contract forms are included herewith.

XVII.

During the period of its operation Oregon Physicians' Service has entered into contracts to provide or pay for medical care throughout the entire State of Oregon.

XVIII.

Approval by the component county medical society of the Oregon State Medical Society is required before Oregon Physicians' Service will offer to enter into or enter into contracts to provide or pay for medical care within the county in which the component county society of the Oregon State Medical Society functions. No component county society has refused to grant such approval to Oregon
154 Physicians' Service.

XIX.

During its entire period of operation Oregon Physicians' Service has offered to enter into, and has entered into, contracts with employe groups irrespective of the incomes of the subscribing individuals involved. The contract offered to employed individuals, which has been in use from October 1, 1947, to October 18, 1948, limits eligibility to individuals having annual net taxable incomes not to exceed $6,000 each.

XXI.

Oregon Physicians' Service has contracted during the period of its operation to provide or pay for medical care furnished by its cooperating staff physicians and not otherwise, excepting that Oregon Physicians' Service has contracted during its period of operation to pay for medical care furnished by any licensed doctor of medicine in bona fide emergencies when the services of cooperating staff physicians are not available.

(c) A list of physicians cooperating with Oregon Physicians' Service is made available to all subscribers.

XXII.

Oregon Physicians' Service contracts to provide or pay for stipulated contractual care only in those hospitals approved by Oregon Physicians' Service.

(a) There have been no requirements or conditions with which hospitals have been required to comply in order to obtain or retain the approval of OPS. Customarily OPS has honored bills for services to its subscribers rendered by all general hospitals.

(b) Oregon Physicians' Service does not maintain a list of approved hospitals.

(c) For the reason stated in XXII (b), persons with whom OPS has contracted to provide or pay for stipulated contractual care are not informed of the identity of the hospitals which OPS has approved.

155 (d) It is not recalled that any hospital has applied to OPS for approval.

(e) None.

(f) We know of no instance of any hospital which may have requested its removal from the OPS list of approved or cooperating hospitals.

XXV.

The local pool arrangement provides that the cooperating group of physicians in any county or group of counties may enter into a division agreement with Oregon Physicians' Service whereby all income and all expenditures involved in OPS operations in that area are separately pooled

from the standpoints of accounting and general contract operations. Each such local pool is charged with its pro rata proportion of the overhead cost of the entire OPS operations.

The state pool arrangement involves all areas of the state which do not have separate local pool arrangements. Operation of the state pool has been conducted in the same manner as those of the local pools.

Local pool arrangements have been in effect at any time during the period of OPS operations, in the following areas:

Clatsop County
Columbia County
Washington County
Yamhill County
Lincoln County
Polk-Marion Counties
Douglas County
Josephine County
Jackson County
Linn County
City of Salem
Multnomah County
Hood River, Wasco, Sherman & Gilliam Counties
Deschutes & Jefferson Counties
Crook County
Morrow, Umatilla, Union, Wallowa, Grant, Baker, Harney and Malheur Counties

156 XXVI.

By arrangement with King County Medical Service Corporation, any patient entitled to medical or hospital care under an OPS contract, and receiving said care in King County, may have the bills therefor submitted to said corporation for transmittal to OPS for payment and said bills are paid by OPS through said corporation.

XXVII.

The answer to this interrogatory will be found in the attached contracts. See Section 3 of each contract.

XXX.

Oregon Physicians' Service has contracted during the period of its existence with employers to provide or pay

for medical care required by employes working outside the State of Oregon in the following instances:

Employers Name & Address	Type of Contracts	Effective Dates of Contracts	Location Employes Were Working	No. of Employes
Consolidated Freightways, Inc.,. Portland, Oregon	Employe Full Coverage	4-1-44	Boise, Id.	110
			Billings, Mont.	132
			Minneapolis, Minn.	85
			Oakland, Calif.	23
			Spokane, Wash.	259
Pacific Fruit & Produce Company, Portland, Oregon	Employe Full Coverage	4-1-44	Bellingham, Wash.	2
			Boise, Idaho	5
			Casper, Wyo.	4
			Cheyenne, Wyo.	1
			Denver, Colo.	3
			Grand Junction, Colo.	13
			Idaho Falls, Id.	4
			Kelso, Wash.	12
			Laramie, Wyo.	1
			Lewiston, Id.	17
			Logan, Utah	5
			Missoula, Mont.	5
			Mt. Vernon, Wash.	1
			Ogden, Utah	10
			Pocatello, Id.	5
			Provo, Utah	7
			Pullman, Wash.	1
			Rapid City, S. Dak.	4
			Rock Springs, Wyo.	7
			Salt Lake City, Utah	12
			Scotts Bluff, Neb.	6
			Seattle, Wash.	9
157				
			Twin Falls, Id.	15
			Walla Walla, Wash.	17
			Wallace, Id.	4
			Yreka, Calif.	6
Hamilton Brothers Logging Company, Rockaway, Ore.	Employe Full Coverage	7-1-48	Crescent City, Calif.	30
Chinook Packing Company, Chinook, Wash.	Employe Full Coverage	1-16-49	Chinook, Wash.	38

Employers Name & Address	Type of Contracts	Effective Dates of Contracts	Location Employes Were Working	No. of Employes
Keystone Packing Company, Ilwaco, Wash.	Employe Full Coverage	1-1-47	Ilwaco, Wash.	24
Fred Meyer, Inc. Portland, Ore.	Employe Group Contract	5-1-43	Vancouver, Wash.	4
States Steamship Employes, Vancouver, Wash.	Employe Group Contract	5-16-44	Vancouver, Wash.	22

(e) Oregon Physicians' Service has not shipped first aid supplies to such locations. OPS does not know the distribution of first aid supplies furnished to the offices of such employers located in Oregon.

(f) Oregon Physicians' Service has not received return shipments of unused first aid supplies from such locations.

XXXI.

Oregon Physicians' Service has no knowledge of deductions made by employers from moneys due their employes outside of Oregon which may have been transmitted to OPS in Oregon.

XXXII.

The answer to this interrogatory necessarily is included in the answers to interrogatory No. XXX.

XXXIII.

Oregon Physicians' Service has had no dealings or transactions with the Board of Health of California or the Board of Health of Washington in connection with the analysis of drinking water and in general sanitation work during the period of OPS operations at any time.

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OREGON PHYSICIANS' SERVICE

By (Signed) W. C. MARSHALL
General Manager

STATE OF OREGON,
COUNTY OF MULTNOMAH, *ss.*:

I, W. C. MARSHALL, being first duly sworn, depose and say that I am General Manager of defendant Oregon Physicians' Service and make this verification for and on its behalf; that I have read the foregoing Answer, know the contents thereof, and the same is true as I verily believe.

(Signed) W. C. MARSHALL

Subscribed and sworn to before me this 2nd day of May, 1949.

(Signed) NICHOLAS JAUREGUY
Notary Public for Oregon
(SEAL) My commission expires Feb. 4, 1951

Due and legal service of the within Answer by receipt of a duly certified copy thereof, as required by law is hereby accepted in Multnomah County, Oregon, on this —— day of April, 1949.

HENRY L. HESS,
United States Attorney

By (Signed) PHILIP MARCUS
Of Attorneys for Plaintiff

Form of Cooperating Physicians' Agreement

159 OREGON PHYSICIANS' SERVICE

COOPERATING PHYSICIAN'S AGREEMENT

This agreement made and entered into by and between the OREGON PHYSICIANS', SERVICE, an Oregon Corporation, and the undersigned PHYSICIAN, WITNESSETH:

That for and in consideration of the mutual benefits that will accrue to each of the parties hereto and to the Medical Profession of the State of Oregon, it is hereby agreed that the compensation to be paid by OREGON PHYSICIANS' SERVICE and accepted by PHYSICIAN for medical or surgical service which PHYSICIAN may render to OREGON PHYSICIANS' SERVICE subscribers from time to time, shall be as follows:

1. Charges by PHYSICIAN for services rendered to subscribers to OREGON PHYSICIANS' SERVICE, shall be initially based upon the fee schedule approved by the Directors of OREGON PHYSICIANS' SERVICE; provided however, that said charges shall be subject to the ap-

proval of OREGON PHYSICIANS' SERVICE; and provided, further, that settlements between OREGON PHYSICIANS' SERVICE and PHYSICIAN shall be monthly.

2. As full consideration for services rendered by PHYSICIAN hereunder, OREGON PHYSICIANS' SERVICE agrees to pay, and PHYSICIAN agrees to accept, such percentage of PHYSICIAN's base fees for services rendered hereunder during each month as the total net income of OREGON PHYSICIANS' SERVICE during such month bears to the total fees of all OREGON PHYSICIANS' SERVICE physicians charged and approved hereunder during such month. Settlement made each month shall be final with respect to all charges of each physician made and approved hereunder during such month. It is further agreed that present or future OREGON PHYSICIANS' SERVICE Divisional Agreements involving separate actuarial pooling of funds shall not be involved or affected by this agreement.

This agreement may be terminated with respect to either party hereto by either party giving to the other, ninety (90) days notice in writing.

PHYSICIAN requests that his relationship to OREGON PHYSICIANS' SERVICE be as indicated below: (Please check ONE)

1. General staff .....
2. Consulting staff only .....
   Specialty .....
3. Available for service to own patients only—name not to be included in published staff list .....
4. Approve the organization, but not available for service by reason of type of specialty practice, or governmental or institutional employment .....

Executed on behalf of OREGON PHYSICIANS' SERVICE this ..... day of ....., 19....., and by the undersigned PHYSICIAN on the date indicated after his signature hereto.

..... OREGON PHYSICIANS' SERVICE

Physician

..... By .....

Address General Manager

.....

Date

Please complete and sign both copies and mail to OREGON PHYSICIANS' SERVICE, 1214 S. W. 6th Avenue, Portland 4, Oregon. A fully executed copy will be returned for your records.

Form of Full Coverage Medical and Hospital Contract (Illness and Non-Occupational Accidents)

160 OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL CONTRACT
(Illness and Non-Occupational Accidents)

CONTRACT, made and entered into on this ..... day of ....., 19.....;

BY AND BETWEEN OREGON PHYSICIANS' SERVICE, an Oregon corporation having offices situated at Salem, Portland and Medford, in the State of Oregon, and being licensed to conduct the business of an hospital association under the laws of the State of Oregon, hereinafter called "O. P. S."; AND .....; hereinafter called "the Employer";

WITNESSETH: O. P. S., in consideration of the sums of money to be paid to it by the Employer as hereinafter provided, hereby agrees to procure, and make available, at the expense of O. P. S., to each employe entitled to the benefits of this contract with the Employer and working in connection with the Employer's operations at ...., from time to time as occasion demands during the life of this contract, medical and surgical services, hospital accommodations, ambulance service, dental service and other benefits as follows:

1. MEDICAL AND SURGICAL SERVICES: Except as otherwise provided in this contract, O. P. S. will bear the expense of necessary medical and surgical services required by each employe entitled to the benefits of this contract, for illness or non-occupational injury, such services to be rendered by physicians or surgeons authorized by O. P. S. (hereinafter, for convenience, sometimes called physicians, surgeons or specialists cooperating with O. P. S.), who will render such services at their respective offices, or at hospitals approved by O. P. S., or at the employe's home, or at the place of occurrence of an emergency illness or injury. Services elsewhere than at such physician's or surgeon's office will be procured only when the illness or injury of the employe requiring such services is such as to render him

unable to travel to such physician's or surgeon's office. Each employee entitled to the benefits of this contract shall be allowed unrestricted choice from amongst available physicians and surgeons cooperating with O. P. S. for the treatment of illness or injury.

2. EMERGENCY CARE: If injury or illness shall occur within the State of Oregon to an employe entitled to the benefits of this contract and the services of a physician or surgeon cooperating with O. P. S. shall not be available to him, then, and in that event, either the Employer or the employe may obtain the services of the most conveniently available doctor of medicine licensed by the Oregon State Board of Medical Examiners, to render emergency services to such injured or ill employee until such time as a physician or surgeon cooperating with O. P. S. can render such employe his services, in which event the expense of such emergency services will be defrayed by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. Either the Employer or such employe shall immediately notify O. P. S. of such injured or ill employe's requiring, and receiving, such emergency services. Failure so to notify O. P. S. shall relieve O. P. S. of all responsibility for the care of such employee other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

3. CARE OF TRAVELING EMPLOYES: An employe entitled to the benefits of this contract if injured or taken ill while out of the State of Oregon but within the continent of North America, and not elsewhere, shall be entitled to receive the services of a state-licensed doctor of medicine, and hospital services for serious cases, in the nearest city or town in which such services may be available and the costs of such services shall be paid by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. It shall be the duty of such injured or ill employe to notify O. P. S. as soon as possible of his requiring, and receiving, such services. Failure on the part of such employe to give such notice to O. P. S. shall relieve O. P. S. from all responsibility for the care of such employe other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by
161 O. P. S.

4. SPECIALISTS: Services of specialists cooperating with O. P. S. will be procured on the recommendation

of the attending physician or surgeon cooperating with O. P. S. Services of eye, ear, nose and throat specialists will be procured when required for the care of injury or disease of the eye, ear, nose or throat.

5. Dental Services: Dental services of dentists authorized by O. P. S. will be procured to the extent of the simple extractions of teeth and treatment of acute gum trouble for the purpose of immediate relief. Extractions are limited to not more than four teeth in any one case excepting that a staff physician may authorize additional extractions for the treatment of systemic sickness. Services for extraction of erupted impacted wisdom teeth are provided only when an attending physician may recommend such extraction as necessary treatment of a systemic sickness. Unerupted impacted wisdom teeth are not covered at any time. Treatment for Vincent's Angina (trench mouth) will be procured, as well as dental X-ray, when ordered by a physician or surgeon cooperating with O. P. S. Treatment for pyorrhea is excluded from the coverage of this contract.

6. Medicines for Hospitalized Patients: O. P. S. will procure all necessary medicines, medical and surgical supplies which may be used or prescribed by physicians or surgeons cooperating with O. P. S. in the treatment of employes while receiving necessary care in general hospitals approved by O. P. S. as stipulated in this contract. Serums and antitoxins, and the administering thereof, will be procured for the treatment and prevention, or the treatment or prevention, of virulent diseases, including pneumonia, diphtheria, typhoid fever, smallpox, erysipelas, tetanus, infantile paralysis, meningitis, scarlet fever, undulant fever, rabies, malaria fever and amoebic dysentery, in case the employe will definitely have been exposed to, or will have contracted, the disease and if such use will constitute accepted therapy or prophylaxis.

7. First-aid Supplies: First-aid supplies for the use of employes in illness and non-occupational accident cases will be procured and delivered by O. P. S. to the Employer and will be maintained during the life of this contract at such places as will be indicated by the Employer and approved by O. P. S. All unused supplies shall be returned to O. P. S. at the termination of this contract. If requested,

O. P. S. will procure first-aid supplies for industrial accidents at the expense of, and by prearrangement with, the agency responsible for industrial medical aid.

8. HOSPITALS SERVICES: O. P. S. will bear the expense of hospital services and accommodations, when required for the treatment of the employes, in general hospitals approved by O. P. S., and as will be authorized by O. P. S. Such hospital services will include ward accommodations, board, services of an hospital staff nurse, use of surgery, X-ray, laboratory service, and medical and surgical attendance, to the extent hereinafter provided. Private rooms will be procured in cases of serious nature, which in the judgment of the attending physicians or surgeons cooperating with O. P. S. require quiet surroundings and special care. Should the injured or ill employe not require special services, but desire a private room in such hospital, O. P. S. will pay such part of the cost of such private room as O. P. S. would be required to pay for ward service during the same period of time. O. P. S. shall not be liable to the Employer, or any employe, or any other person, for its inability or failure to procure hospital ward accommodations or other hospital accommodations or other services or accommodations by reason of epidemic, disaster or other cause or condition beyond the control of O. P. S.

9. AMBULANCE SERVICE: O. P. S. will procure, when necessary, ambulance service, or other appropriate transportation, for conveying the seriously ill or injured employe to the nearest general hospital approved by O. P. S., for hospital service in the event that ordinary transportation shall not be appropriate.

10. SPECIAL NURSING: Special nursing services will be procured by O. P. S. for a serious, hospitalized case when, in the judgment of the attending physician or surgeon cooperating with O. P. S., special nursing services will be required.

162 11. X-RAY SERVICE: X-ray service will be procured by O. P. S. in case of suspected fracture, and in other injury or medical cases, when use of X-ray shall be deemed advisable by the attending physician or surgeon cooperating with O. P. S.

12. PHYSICAL-THERAPY: Physical-therapy will be procured by O. P. S. when, in the judgment of the attending physician or surgeon cooperating with O. P. S., such treatment shall be indicated.

13. PHYSICAL EXAMINATIONS: Subject to the further provisions of this contract, an examination of the entire body, including the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by a physician cooperating with O. P. S., upon request of the employes, whenever such an examination will not have been made within the preceding period of twelve months. Wasserman tests, blood counts, fluoroscopic and X-ray examinations will not be included in such examination, unless such examining physician shall find specific necessity therefor and shall first obtain authorization therefor from O. P. S. Examination requiring certification will not be procured. No examination will be procured within the period of the first six months of the employe's coverage by O. P. S., except as provided in Section 17 (c) of this contract.

14. REFRACTIONS: Eye examinations and testing for eye glasses will be procured of eye specialists cooperating with O. P. S., provided that the employe will have had O. P. S. coverage continuously for three, or more, months before the occasion therefor shall arise, unless such service shall be necessary in the treatment of an acute illness or injury. Eye glasses will not be procured by O. P. S.

15. PROPHYLACTIC MEASURES: O. P. S. will procure such proyhylactic measures as may reasonably be necessary in preventing the spread of disease among employes of the Employer. This service shall include cooperation with the State Board of Health in the analysis of drinking water and general sanitation work.

16. WELFARE DEPARTMENT: O. P. S. will mantain a welfare department through which it will report to the Employer the condition and progress of patients under its coverage, as requested by the Employer, and O. P. S. will report on such other matters as in its judgment are of special interest to the Employer, including matters which may in any manner affect claims for Workmen's Compensation and those affecting the general welfare of the employes of the Employer.

17. MEDICAL, SURGICAL AND HOSPITAL COVERAGE: This contract includes within its operation, and covers, and O. P. S. will procure, subject to the provisions of this contract, hospital, medical and surgical treatment, and other services, in the following cases:

(a) Accidental injury sustained by an employe during the term of his coverage, except that resulting from an industrial accident;

(b) Acute illness suffered by an employe during the term of his coverage, except acute illness symptomatic, diagnosed and being treated, or symptomatic, or diagnosed, or being treated, at the time when the employe will first become entitled to the benefits of this contract.

(c) Chronic illness arising in an employe who will have become entitled to the benefits of this contract on the date on which this contract will first become effective as to other employes of the Employer, except that during the first six months of such employe's coverage under this contract, benefits shall be limited to the acute phase of such chronic illness. Chronic illness arising in an employe who will have become entitled to the benefits of this contract after the date on which this contract will first become effective as to other employes of the Employer, except that such chronic illness as will have become active or will have manifested itself during such
163 employe's first six months of coverage under this contract, will not be covered nor be subject to the benefits of this contract. For the purpose of this subsection (17, (c)) credit will be given to employes of the Employer for periods of coverage under other O. P. S. Full Coverage Medical and Hospital Service Agreements, and for periods of coverage under like, or substantially similar, medical and hospital service agreements of other medical contractors, provided that such periods of coverage by O. P. S. or other medical contractors will immediately have preceded such employe's coverage by this contract. A chronic illness originating, or diagnosed or treated, or becoming symptomatic, prior to the time when an employe of the Employer will have first become entitled to the benefits of O. P. S. Full Coverage Medical Service, or like benefits under a like, or substantially similar, and immediately preceding, service of another medical contractor, is not covered by this contract. A "chronic illness", as used herein, hereby is defined to be an ailment of prolonged duration characterized by slowly progressing symptoms, as differentiated

from an "acute illness", which hereby is defined to be an ailment of recent origin progressing speedily to a crisis and requiring immediate medical and surgical care, or immediate medical or surgical care. A "chronic illness" shall specifically include, without being limited to, such conditions as goiter, stomach ulcers, gall stones, kidney stones, traumatic deviated septums, sinus conditions, hernia, cancer (including treatment by radium), heart diseases, tuberculosis, neoplasms, chronic appendicitis, diseases of the prostate gland and diseases of the female reproductive organs.

18. EXCLUSIONS AND LIMITATIONS:

(a) The benefits of this contract do not apply to any of the following: Neither industrial accidents, nor injuries nor diseases falling within the provisions of any industrial insurance or Workmen's Compensation Law or contract (whether the employe or the Employer will have elected to accept, or to reject, the benefits of such law or contract) to which the employe is, or could be eligible, nor insanity, mental disorders, pregnancy nor childbirth, nor any result of any thereof, nor venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects, attempts at suicide, injuries resulting from professional competitive sports, nor any result of any thereof, nor injuries nor illnesses, sustained in, or resulting from, the employe's commission of a crime, nor any condition excluded by any other provision of this contract, nor any condition which will be active, symptomatic, diagnosed, or under treatment, at or before the time when the employe will become entitled to the benefits of this contract (except as stipulated in the provisions in such respect of Section 17 of this contract), nor injuries occurring to the employe prior to his becoming entitled to the benefits of this contract, nor injury resulting from an act of personal violence in which the injured employe will have been the aggressor, nor injury nor illness sustained by the employe as a result of his use of intoxicating liquor, drug or narcotic if the use of such intoxicating liquor, drug or narcotic will have been a primary cause of such injury or illness.

(b) O. P. S. shall not be required to procure hospital, nursing or ambulance services for diseases, or results thereof, subject to quarantine, but O. P. S. will procure physicians' services in such cases when necessary.

164 (c) All benefits provided for by this contract are, and will be, limited to one year from the date of first treatment of any specific condition involved, resulting from a separate and distinct cause. The procurement of hospital care is, and will be, limited to six months, except that in a case involving a cerebral condition, tuberculosis, malignant neoplasms or cardiovascular renal disease the period of hospital service is, and will be, limited to three months. O. P. S.' responsibility for procuring hospital and sanitarium care, or hospital or sanitarium care, for a tuberculosis case is, and will be, limited to a cost not greater than that prevailing in a case receiving three months of care at the Oregon State Tuberculosis Hospital. The procurement of a private room is, and will be, limited to thirty days in any one case. The period of thirty days provided herein for private room accommodation shall be deemed part of the total hospital and sanitarium care, or hospital or sanitarium care, provided for herein. Special nursing care is, and will be, limited to thirty days' service in any one case.

(d) Materials for allergy treatment will not be procured. O. P. S. will procure such services of a physician or surgeon cooperating with O. P. S. as will be required for the performance of necessary blood transfusions, and the cost of procuring blood, if it be provided by professional donors, will be borne by O. P. S.

(e) Professional services and necessary hospitalization will be furnished for the removal of tonsils, provided that membership has been continuous for six (6), or more, months.

(f) The benefits of this contract do not apply to any injury resulting from employment, or any result thereof, it being understood that the medical, surgical, hospital and other care for such cases are, and will be procured (if procured) under the supervision and control, and at the expense, of the State Industrial

Accident Commission, or other insurance carrier, or the Employer, or others, and not O. P. S.

(g) The benefits of this contract do not apply to any injury or illness of any employe caused by the negligence or wrongful act of any other person, except to the extent that if an employe entitled to the benefits of this contract shall be injured, or shall suffer illness, because of the wrongful act or negligence of any other person and thereafter shall make all reasonable efforts to recover from such other person and anyone responsible or answerable for such other person's negligence or wrongful act, O. P. S. will procure for such employe the benefits of this contract which cannot be made available out of funds reasonably recoverable from, or through, such other person. Such funds shall be deemed not reasonably recoverable from, or through, such other person if it shall reasonably appear that should an action therefor be prosecuted, and judgment therefor be obtained, against such other person and anyone responsible or answerable for such other person's negligence or wrongful act, execution on such judgment would be unavailing.

(h) In order to make it financially possible for O. P. S. to procure the services stipulated in this contract, employes requiring hospital care, surgical operations or medical services for any of the conditions covered by this contract shall be entitled thereto only in hospitals approved by O. P. S. for rendering such services, and by physicians, surgeons and specialists cooperating with O. P. S. (who, for convenience, are described in this contract as "cooperating" physicians, surgeons or specialists) for this purpose, except as provided otherwise for emergency services.

(i) No benefit, right or interest of either the Employer or any employe under this contract can be assigned or transferred, and any such attempted assignment or transfer shall be invalid and void.

19. Arbitration Provisions: Should O. P. S., either upon, or without, the advice of an attending physician or surgeon cooperating with O. P. S., at any time determine that any employee of the Employer, is not, or will not be,

entitled to the treatment, or any treatment, herein stipulated, and that such employe's case is of a class excluded, or partially excluded, from the benefits of this contract, then, and in that event, either the Employer or the employe shall have the right to employ a competent practising medical physician or surgeon, duly licensed to practise in the State of Oregon, to examine such employe for the purpose of advising such employe whether such determination made by O. P. S. is correct. If such consulting physician or surgeon and O. P. S. shall be unable to agree in such respect, then in that event, O. P. S. and the Employer shall select another competent, practising medical physician or surgeon, duly licensed to practice in the State of Oregon, as arbiter to decide whether such determination made by O. P. S. is correct. Such decision of such arbiter shall, when made, be final. If such decision shall be contary to such determination made by O. P. S., then O. P. S. shall pay a reasonable fee to such consulting physician or surgeon and also a reasonable fee to such arbiter for their respective services in such matter. If such decision made by such arbiter shall substantially coincide with such determination made by O. P. S., then, in that event, such employe shall pay such fees of such consulting physician or surgeon and such arbiter, respectively.

20. PAYROLL DEDUCTIONS AND PAYMENTS: In consideration of the promises and undertakings hereinbefore set forth to be kept and performed by O. P. S., the Employer hereby promises and agrees to pay to O. P. S. on or before the fifteenth day of each and every month during the life of this contract the following amounts of money (sometimes in this contract called "dues"):

(a) Three dollars and fifty cents ($3.50) for each employe covered by this contract who will have commenced his employment on or before the fifteenth day of the preceding calendar month and who will have been employed for four, or more, days in such month.

(b) One dollar and seventy-five cents ($1.75) for each employe covered by this contract who will have commenced his employment after the fifteenth day of the preceding calendar month and who will have been employed for four, or more, days in such month.

(c) Ten cents ($.10) each day for each employe covered by this contract who will have been employed for three days, or less, in the preceding calendar month, but such employe shall be entitled to the benefits of

this contract only with respect to acute illness or injury originating within such period of three days, or less, of employment.

(d) The Employer shall not be required to pay to O. P. S. dues for the current month for any employe who, upon entering the employment of the Employer, shall hold a receipt entitling him to medical, surgical and hospital accommodations procured by any medical service organization engaged in such business in Oregon or Washington. This exemption from payment of dues shall apply only to the month in which such employe will have commenced his employment with the Employer. O. P. S. shall not be required to procure any of the services stipulated in this contract for any accidental injury sustained by such employe or for any illness suffered by such employe during the period for which the Employer is exempted from paying dues, it being intended that in the event of such injury or illness such employe shall look to such medical service organization which will have issued such receipt to him, for such ser-
166 vices.

(e) In case any employe for whom the Employer will have paid to O. P. S. the dues for the next succeeding calendar month, or a next succeeding period of days, or for whom the Employer will have deducted such amount from the wages payable to such employe for such payment thereof, shall leave the employment of the Employer before such calendar month, or other period, will have expired, such employe shall, nevertheless, be entitled to receive all such benefits provided by this contract as he would have been entitled to receive if he had not left such employment, with respect to injury or illness which may occur to such employe during such calendar month, or other period, for which such dues thus will have been paid.

(f) An employe temporarily away from his work, because of seasonal plant shut-down or plant shut-down due to labor dispute, may, at his option, preserve his coverage by this contract by applying individually therefor to O. P. S. within ten days after the date of such plant shut-down and making arrangements satisfactory to O. P. S. for payment of his dues.

Arrangements may be made, with the approval of O. P. S. and the Employer, among employes to continue their coverage by this contract by arranging for salary deductions of dues upon their return to work for the period during which coverage by this contract will have been continued. Such coverage, however, shall not continue longer than two months without the actual payment of dues monthly in advance.

(g) The Employer promises and agrees that O. P. S. may, at reasonable times, examine the payroll of the Employer for the purpose of auditing it with respect to dues agreed to be paid to O. P. S. by the Employer.

21. WARRANTY OF SERVICE-FULFILLMENT: O. P. S. shall render a warranty of service-fulfillment in keeping with the provisions of this contract in the event that the employes of the Employer will, immediately prior to the effective date of this contract, have been entitled to the benefits of a like, or substantially similar, medical and hospital service contract issued by another medical contractor. In such event, such warranty of service-fulfillment shall be executed by O. P. S. and shall be affixed to this contract.

22. REJECTION BY EMPLOYER: In accordance with Chapter 344, Oregon Laws, 1941, as amended by Chapter 298, Oregon Laws, 1945, any employe may reject the coverage of this contract at the time when this contract is executed or at the time of his employment if entering such employment after the date of the execution of this contract, by giving written notice to the Employer of his desire so to do, or, having been under the coverage of this contract, by giving such notice in writing not less than thirty days in advance of its anniversary date. The Employer shall not retain any part of the wages of any employe who will have filed such notice of rejection, and such employe shall not be entitled to any of the benefits of this contract; provided, that any employe who will have filed such notice of rejection shall, by withdrawing his rejection, and subject to acceptance by O. P. S., have the right to come under the coverage of this contract at a future date to be agreed upon with O. P. S.

23. TERM AND TERMINATION: This contract shall remain in full force and effect from the day of , 19 , to the thirty-first day of December, 19 , or for such part of such period as the parties hereto (including the em-

ployes) shall perform and observe their respective obligations under this contract, and this contract can be cancelled and terminated, without liability therefor altogether, by either the Employer or O. P. S. by his or its giving thirty (30) days' notice in writing to the other of them of such termination in the event of the making of breach or default by such other with respect to its or his obligations under this contract. In the event that payment
167 of dues shall not be received by O. P. S. from the Employer punctually in accordance with Section 20 of this contract, time being of the essence hereof, O. P. S. shall have the right to cancel and terminate this contract, without liability therefor, at any time by giving fifteen (15) days' notice in writing of such cancellation to the Employer.

24. RENEWALS: The term of this contract will expire on said thirty-first day of December of said year last above mentioned. However, unless either O. P. S. or the Employer shall give to the other of them, at least thirty (30) days prior to said last-above-mentioned date, written notice of its or his election that this contract shall not be renewed on said date, this contract shall be deemed renewed on said date, with like effect, to all intents and purposes, as if re-executed on said date by O. P. S. and the Employer, to continue in full force and effect for the next succeeding calendar year and likewise annually thereafter shall be deemed to be renewed and to continue in full force and effect from year to year, unless and until at least thirty (30) days prior to the expiration of any calendar year either O. P. S. or the Employer shall give to the other of them written notice of its or his election not so to renew this contract.

25. REVISION: O. P. S. shall have the right at any time to modify the benefits, and to adjust the consideration, or to modify the benefits, or to adjust the consideration, of this contract, consistent with changing conditions, and such revision may be made effective on the first day of any month by the giving by O. P. S. of written notice of such revision to the Employer at least forty-five (45) days prior to the effective date of such revision which will be stated in such notice. In such event, the Employer shall have the privilege of terminating this contract on the first day of the month in which such revision will become effective by giving written notice of such termination to O. P. S. at least fifteen (15) days prior to such first day of such month.

IN WITNESS WHEREOF, O. P. S. and the Employer have caused this contract to be executed (in duplicate) on the date

hereinabove first written by their respective, undersigned officers, pursuant to due authorization so to do heretofore granted to such officers, respectively.

..... OREGON PHYSICIANS' SERVICE
EMPLOYER

By ..... By .....

Title ..... Manager

Form of Full Coverage Medical and Hospital Contract (Illness and Non-Occupational Accidents)

168 OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL CONTRACT
(Illness and Non-Occupational Accidents)

CONTRACT, made and entered into on this ..... day of ....., 19.....;

BY AND BETWEEN OREGON PHYSICIANS' SERVICE, an Oregon corporation having offices situated at Salem, Portland and Medford, in the State of Oregon, and being licensed to conduct the business of an hospital association under the laws of the State of Oregon, hereinafter called "O. P. S.";

AND ..... Group.

WITNESSETH: O. P. S., in consideration of the sums of money to be paid to it by the subscribing members of the group, hereby agrees to procure, and make available, at the expense of O. P. S., to each member entitled to the benefits of this contract, from time to time as occasion demands during the life of this contract, medical and surgical services, hospital accommodations, ambulance service, dental service and other benefits as follows:

1. MEDICAL AND SURGICAL SERVICES: Except as otherwise provided in this contract, O. P. S. will bear the expense of necessary medical and surgical services required by each member entitled to the benefits of this contract, for illness or non-occupational injury, such services to be rendered by physicians or surgeons authorized by O. P. S. (hereinafter, for convenience, sometimes called physicians, surgeons or specialists cooperating with O. P. S.), who will render such services at their respective offices, or at hospitals approved by O. P. S., or at the member's home, or at the place of occurrence of an emergency illness or injury.

Services elsewhere than at such physician's or surgeon's office will be procured only when the illness or injury of the member requiring such services is such as to render him unable to travel to such physician's or surgeon's office. Each member entitled to the benefits of this contract shall be allowed unrestricted choice from amongst available physicians and surgeons cooperating with O. P. S. for the treatment of illness or injury.

2. EMERGENCY CARE: If injury or illness shall occur within the State of Oregon to a member entitled to the benefits of this contract and the services of a physician or surgeon cooperating with O. P. S. shall not be available to him, then, and in that event, the member may obtain the services of the most conveniently available doctor of medicine, licensed by the Oregon State Board of Medical Examiners, to render emergency services to such injured or ill member until such time as a physician or surgeon cooperating with O. P. S. can render such member his services, in which event the expense of such emergency services will be defrayed by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. It shall be the duty of the member to notify O. P. S. of such injured or ill member's requiring, and receiving, such emergency services. Failure so to notify O. P. S. shall relieve O. P. S. of all responsibility for the care of said member other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

3. CARE OF TRAVELING EMPLOYES: A member entitled to the benefits of this contract if injured or taken ill while out of the State of Oregon but within the continent of North America, and not elsewhere, shall be entitled to receive the services of a state-licensed doctor of medicine, and hospital services for serious cases, in the nearest city or town in which such services may be available and the costs of such services shall be paid by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. It shall be the duty of such injured or ill member to notify O. P. S. as soon as possible of his requiring, and receiving, such services. Failure on the part of such member to give such notice to O. P. S. shall relieve O. P. S. from all responsibility for the care of such member other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

169 4. SPECIALISTS: Services of specialists cooperating with O. P. S. will be procured on the recommendation of the attending physician or surgeon cooperating with O. P. S. Services of eye, ear, nose and throat specialists will be procured when required for the care of injury or disease of the eye, ear, nose or throat.

5. DENTAL SERVICES: Dental services of dentists authorized by O. P. S. will be procured to the extent of such simple extractions of teeth and treatment of acute gum trouble for the purpose of immediate relief from pain. Extractions are limited to not more than four teeth in any one case, except that a physician or surgeon cooperating with O. P. S. may authorize additional extractions for the treatment of systemic illness of a member then and theretofore under the care of such physician or surgeon for such systemic illness. Services for the extraction of erupted impacted wisdom teeth are provided only when an attending physician may recommend such extraction as necessary treatment of a systemic sickness. Unerupted impacted wisdom teeth are not covered at any time, nor services for the treatment of pyorrhea. Treatment for Vincent's Angina (trench mouth) will be furnished as well as dental X-ray when ordered by an attending physician.

6. MEDICINES FOR HOSPITALIZED PATIENTS: O. P. S. will procure all necessary medicines, medical and surgical supplies which may be used or prescribed by physicians or surgeons cooperating with O. P. S. in the treatment of members while receiving necessary care in general hospitals approved by O. P. S. as stipulated in this contract. Serums and antitoxins, and the administering thereof, will be procured for the treatment and prevention, or the treatment or prevention, of virulent diseases, including pneumonia, diphtheria, typhoid fever, smallpox, erysipelas, tetanus, infantile paralysis, meningitis, scarlet fever, undulant fever, rabies, malaria fever and amoebic dysentery, in case the member will definitely have been exposed to, or will have contracted, the disease and if such use will constitute accepted therapy or prophylaxis.

7. HOSPITAL SERVICES: O. P. S. will bear the expense of hospital services and accommodations, when required for the treatment of members, in general hospitals approved by O. P. S., and as will be authorized by O. P. S. Such hospital services will include ward accommodations, board, services of an hospital staff nurse, use of surgery, X-ray,

laboratory service, and medical and surgical attendance, to the extent hereinafter provided. Private rooms will be procured in cases of serious nature, which in the judgment of the attending physicians or surgeons cooperating with O. P. S. require quiet surroundings and special care. Should the injured or ill member not require special services, but desire a private room in such hospital, O. P. S. will pay such part of the cost of such private room as O. P. S. would be required to pay for ward service during the same period of time. O. P. S. shall not be liable to the member for its inability or failure to procure hospital ward accommodations or other hospital accommodations or other services or accommodations by reason of epidemic, disaster or other cause or condition beyond the control of O. P. S.

8. AMBULANCE SERVICE: O. P. S. will procure, when necessary, ambulance service, or other appropriate transportation, for conveying the seriously ill or injured member to the nearest general hospital approved by O. P. S. for hospital service in the event that ordinary transportation shall not be appropriate.

9. SPECIAL NURSING: Special nursing services will be procured by O. P. S. for a serious, hospitalized case when, in the judgment of the attending physician or surgeon cooperating with O. P. S., special nursing services will be required.

10. X-RAY SERVICE: X-ray service will be procured by O. P. S. in case of suspected fracture, and in other injury or medical cases, when use of X-ray shall be deemed advisable by the attending physician or surgeon cooperating with O. P. S.

11. PHYSICAL-THERAPY: Physical-therapy will be procured by O. P. S. when, in the judgment of the attending physician or surgeon cooperating with O. P. S., such treatment shall be indicated.

170 PHYSICAL EXAMINATIONS: Subject to the further provisions of this contract, an examination of the entire body, including the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by a physician cooperating with O. P. S., upon request of the member, whenever such an examination will not have been made within the preceding period of twelve months. Wasserman tests, blood counts, fluoroscopic and X-ray examinations will not be included in such examination, unless such examining physician shall find specific necessity there-

for and shall first obtain authorization therefor from O. P. S. Examination requiring certification will not be procured. No examination will be procured within the period of the first six months of the member's coverage by O. P. S., except as provided in Section 15 (c) of this contract.

13. Refractions: Eye examinations and testing for eye glasses will be procured of eye specialists cooperating with O. P. S., provided that the member will have had O. P. S. coverage continuously for three, or more, months before the occasion therefor shall arise, unless such service shall be necessary in the treatment of an acute illness or injury. Eye glasses will not be procured by O. P. S.

14. Prophylactic Measures: O. P. S. will procure such prophylactic measures as may reasonably be necessary in preventing the spread of disease among members. This service shall include cooperation with the State Board of Health in the analysis of drinking water and general sanitation work.

15. Medical, Surgical and Hospital Coverage: This contract includes within its operation, and covers, and O. P. S. will procure, subject to the provisions of this contract, hospital, medical and surgical treatment, and other services, in the following cases:

(a) Accidental injury sustained by a member during the term of his coverage, except that resulting from an industrial accident;

(b) Acute illness suffered by a member during the term of his coverage, except acute illness symptomatic, diagnosed and being treated, or symptomatic, or diagnosed, or being treated, at the time when the member will first become entitled to the benefits of this contract;

(c) Chronic illness arising in a member who will have become entitled to the benefits of this contract on the date on which this contract will first become effective as to other members, except that during the first six months of such member's coverage under this contract, benefits shall be limited to the acute phase of such chronic illness. Chronic illness arising in a member who will have become entitled to the benefits of this contract after the date on which this contract will first become effective as to

other members, except that such chronic illness as will have become active or will have manifested itself during such member's first six months of coverage under this contract, will not be covered nor be subject to the benefits of this contract. For the purpose of this subsection (15 (c)) credit will be given to members for periods of coverage under other O. P. S. Full Coverage Medical and Hospital Service Agreements, and for periods of coverage under like, or substantially similar, medical and hospital service agreements of other medical contractors, provided that such periods of coverage by O. P. S. or other medical contractors will immediately have preceded such member's coverage by this contract. A chronic illness of originating, or diagnosed or treated, or becoming symptomatic, prior to the time when a member will have first become entitled to the benefits of O. P. S. Full Coverage Medical Service, or like benefits under a like, or substantially similar, and immediately preceding, service of another medical contractor, is not covered by this contract. A "chronic illness", as used herein, hereby is defined to be an ailment of prolonged duration characterized by slowly progressing
171 symptoms, as differentiated from an "acute illness", which hereby is defined to be an ailment of recent origin progressing speedily to a crisis and requiring immediate medical and surgical care or immediate medical or surgical care. A "chronic illness" shall specifically include, without being limited to, such conditions as goiter, stomach ulcers, gall stones, kidney stones, traumatic deviated septums, sinus conditions, hernia, cancer (including treatment by radium), heart diseases, tuberculosis, neoplasms, chronic appendicitis, diseases of the prostate gland and diseases of the female reproductive organs.

16. Exclusions and Limitations:

(a) The benefits of this contract do not apply to any of the following: Neither industrial accidents, nor injuries nor diseases falling within the provisions of any industrial insurance or Workmen's Compensation Law or contract to which the member is, or could be, eligible, nor insanity, mental disorders, pregnancy nor childbirth, nor any result of any thereof, nor venereal diseases, alcoholism, drug ad-

diction, pyorrhea, deformities, congenital physical defects, attempts at suicide, injuries resulting from professional competitive sports, nor any result of any thereof, nor injuries nor illnesses, sustained in, or resulting from, the member's commission of a crime, nor any condition excluded by any other provision of this contract, nor any condition which will be active, symptomatic, diagnosed, or under treatment, at or before the time when the member will become entitled to the benefits of this contract (except as stipulated in the provisions in such respect of Section 15 of this contract), nor injuries occurring to the member prior to his becoming entitled to the benefits of this contract, nor injury resulting from an act of personal violence in which the injured member will have been the aggressor, nor injury nor illness sustained by the member as a result of his use of intoxicating liquor, drug or narcotic if the use of such intoxicating liquor, drug or narcotic will have been a primary cause of such injury or illness.

(b) O. P. S. shall not be required to procure hospital, nursing or ambulance services for diseases, or the results thereof, subject to quarantine; but O. P. S. will procure physicians' services in such cases when necessary.

(c) All benefits provided for by this contract are, and will be, limited to one year from the date of first treatment of any specific condition involved, resulting from a separate and distinct cause. The procurement of hospital care is, and will be, limited to six months, except that in a case involving a cerebral condition, tuberculosis, malignant neoplasms or cardiovascular renal disease the period of hospital service is, and will be, limited to three months. O. P. S.' responsibility for procuring hospital and sanitarium care, or hospital or sanitarium care, for a tuberculosis case is, and will be, limited to a cost not greater than that prevailing in a case receiving three months of care at the Oregon State Tuberculosis Hospital. The procurement of a private room is, and will be, limited to thirty days in any one case. The period of thirty days provided herein for private room accommodation shall be deemed part of the total hospital and sanitarium care, or hospital or sanitarium care, provided for herein. Special nursing care is,

and will be, limited to thirty days' service in any one case.

172 (d) Materials for allergy treatment will not be procured. O. P. S. will procure such services of a physician or surgeon cooperating with O. P. S. as will be required for the performance of necessary blood transfusions, and the cost of procuring blood, if it be provided by professional donors, will be borne by O. P. S.

(e) Professional services and necessary hospitalization will be furnished for the removal of tonsils, provided that membership has been continuous for six (6), or more, months.

(f) The benefits of this contract do not apply to any injury resulting from employment, or any result thereof, it being understood that the medical, surgical, hospital and other care for such cases are, and will be, procured (if procured) under the supervision and control, and at the expense, of the State Industrial Accident Commission, or other insurance carrier, or the Employer, or others, and not O. P. S.

(g) The benefits of this contract do not apply to any injury or illness of any member caused by the negligence or wrongful act of any other person, except to the extent that if a member entitled to the benefits of this contract shall be injured, or shall suffer illness, because of the wrongful act of negligence of any other person and thereafter shall make all reasonable efforts to recover from such other person and anyone responsible or answerable for such other person's negligence or wrongful act, O. P. S. will procure for such member the benefits of this contract which cannot be made available out of funds reasonably recoverable from, or through, such other person. Such funds shall be deemed not reasonably recoverable from, or through, such other person if it shall reasonably appear that should an action therefor be prosecuted, and judgment therefor be obtained, against such other person and anyone responsible or answerable for such other person's negligence or wrongful act, execution on such judgment would be unavailing.

(h) In order to make it financially possible for O. P. S. to procure the services stipulated in this contract,

employes requiring hospital care, surgical operations or medical services for any of the conditions covered by this contract shall be entitled thereto only in hospitals approved by O. P. S. for rendering such services, and by physicians, surgeons and specialists cooperating with O. P. S. (who, for convenience, are described in this contract as "cooperating" physicians, surgeons or specialists) for this purpose, except as provided otherwise for emergency services.

(i) No benefit, right or interest of the member under this contract can be assigned or transferred, and any such attempted assignment or transfer shall be invalid and void.

17. ARBITRATION PROVISIONS: Should O. P. S., either upon, or without, the advice of an attending physician or surgeon cooperating with O. P. S. at any time determine that any member is not, or will not be, entitled to the treatment, or any treatment, herein stipulafed, and that such member's case is of a class excluded, or partially excluded, from the benefits of this contract, then, and in that event, the member shall have the right to employ a competent practising medical physician or surgeon, duly licensed to practise in the State of Oregon, to examine such member for the purpose of advising such member whether such determination made by O. P. S. is correct. If such consulting physician or surgeon and O. P. S. shall be unable to agree in such respect, then in that event O. P. S. and the member shall select another competent, practising medical physician or surgeon, duly licensed to practice in the State of Oregon, as arbiter to decide whether such determination made by O. P. S. is correct. Such decision of such arbiter shall, when made, be final. If such decision shall be contrary to such determination made by O. P. S., then O. P. S. shall pay a reasonable fee to such consulting physi-
173 cian or surgeon and also a reasonable fee to such arbiter for their respective services in such matter. If such decision made by such arbiter shall substantially coincide with such determination made by O. P. S., then, in that event, such member shall pay such fees of such consulting physician or surgeon and such arbiter, respectively.

18. PAYMENTS: In consideration of the agreement hereinbefore set forth, to be kept and performed by O. P. S., the signer of this contract, or a designated assistant,

agrees to remit to O. P. S. before the tenth of the current month all dues collected by him from each member who subscribes to this contract.

(a) ..... per month for each member covered under this contract.

19. It is understood and agreed by and between the parties hereto that this agreement shall remain in full force and effect from the ..... day of ....., 19....., to the thirty-first day of December, 19....., or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement can be terminated or rescinded by either party by rendering thirty days' notice in writing to the opposite party that the agreement herein contained is being violated. In the event that payments are not received from the signer of this contract, or a designated assistant, in accordance with section (18) hereof, O. P. S. shall have the right to cancel this agreement at any time by the rendering of ten days' notice in writing of such cancellation. Provided, further, that O. P. S. may at its option and upon giving sixty (60) days prior written notice of its intention so to do, make such changes in that contract affecting the rate to be charged or services to be rendered as may in the opinion of O. P. S. be necessary or desirable to the continuation of adequate and competent service. Failure, however, to give notice as specified herein of such contemplated change or changes shall have the effect of continuing this contract and all its terms and conditions according to the tenure thereof and without affecting the rights and privileges of members thereunder.

Upon termination of this contract for any reason, all members shall be entitled to the benefits provided herein for any condition which may have arisen prior to such termination, and shall receive such benefits as though said contract shall not have been terminated, provided that such member had applied for or had received treatment before the date of termination.

While by its terms this agreement expires on the thirty-first day of December, 19....., it is agreed that unless one party to this agreement gives to the other at least fifteen days before the expiration of said period, written notice of its election that the agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least fif-

teen days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in duplicate, pursuant to authority heretofore granted, as of the date first hereinabove written.

..... GROUP OREGON PHYSICIANS' SERVICE

By ..... By .....
Collector Manager

Form of Supplemental Group Family Surgical, Limited Medical Obstetrical and Hospital Service Agreement

174 OREGON PHYSICIANS' SERVICE

Supplemental Group Family Surgical, Limited Medical, Obstetrical and Hospital Service Agreement

This supplemental agreement, made and entered into this ..... day of ....., 19....., by and between Oregon Physicians' Service, hereinafter called O. P. S., and ....., hereinafter called the Employer, shall constitute a rider to the group employe Medical and Hospital Service Agreement dated ....., 19..... and currently in effect, or hereafter to be in effect, between O. P. S. and the Employer.

WITNESSETH: That O. P. S. for and in consideration of the sum or sums of money paid to it by the Employer, within the time or times hereinafter mentioned, hereby agrees to make available to all family members (not otherwise subject to O. P. S. coverage) of each employe, who is covered under the original group employe contract and who subscribes for coverage for his family members on the basis stipulated herein from time to time during the life of this supplemental agreement, as occasion demands, and/or bear the expense thereof to the extent hereinafter stipulated, surgical services, medical services for hospitalized cases, treatment of fractures and dislocations, obstetrical care, services by specialists, hospital services in ward rooms, meals and dietary services in hospitals, general nursing care in hospital cases, use of hospital operating rooms and other benefits as stated hereinafter.

I. *Surgical, limited medical and obstetrical care for family members shall include the following services*:

a. *Surgical service for major and minor operations* involving cutting or incision, performed in or out of a hospital, shall be provided for the treatment of coverable illness or injury.

b. *Medical service for cases requiring hospitalization* shall be provided for the treatment of coverable illness or injury during the period of coverable hospitalization.

c. *Treatment of fractures and dislocations*, including X-rays in fracture and dislocation cases, shall be furnished at a physician's office or at a hospital.

d. *O. P. S. shall defray the cost of pre-natal, post-natal and obstetrical service* rendered by a cooperating staff physician up to a maximum of fifty dollars ($50.00) in any coverable case. Such payment is intended as an "allowance" in the event that the total cost of professional pre-natal, post-natal and obstetrical services should exceed the above stipulated amount in any such case.

e. *The surgical and consultation services of O. P. S. cooperating staff specialists* will be provided for any coverable case upon the recommendation of any attending staff physician and surgeon or by arrangement with O. P. S. Services of staff eye, ear, nose and throat specialists will be furnished when needed for coverable care of the eye, ear, nose or throat. O. P. S. shall bear no liability with reference to travel or non-hospital subsistence expense involved in any case requiring services by specialists.

II. *Hospital Care for family members shall include the following services:*

a. Care in a room of three or more beds.

b. Meals and dietary services.

175 c. General nursing care.

d. Use of operating rooms.

e. Delivery room service in maternity cases.

f. Anesthesia.

g. Surgical and anesthetic supplies.

h. Routine splints, casts and dressings.

i. Routine laboratory examinations in hospitalized cases up to but not in excess of ten dollars ($10.00) per hospital admission.

j. Diagnostic X-ray service for family members confined in hospitals.

k. Electrocardiograms and basal metabolism tests.

l. Drugs and medications in hospitalized cases up to but not in excess of ten dollars ($10.00) per hospital admission.

m. Maternity care up to sixty dollars ($60.00).

n. Hospital emergency room care for accidental injuries.

III. *Service Prerequisites and Limitations.*

a. In cases which require hospital care all stipulated services shall be furnished to a family member only when said member is a duly registered bed patient in an approved general hospital and is under the care of a listed cooperating O. P. S. physician, surgeon or consulting specialist. In coverable cases which do not require hospital care all stipulated services shall be furnished to a family member only when said member is under the care of a listed cooperating O. P. S. physician, surgeon or consulting specialist.

b. In any case requiring hospitalization hereunder it shall be the duty of the family member to notify promptly the hospital and the attending O. P. S. staff physician that he is an O. P. S. family member, and failure to select an O. P. S. cooperating physician or to notify either the hospital or physician concerning membership in O. P. S. shall be deemed conclusively to be a waiver of all benefits hereunder.
In any coverable case which does not require hospitalization it shall be the duty of the family member to notify promptly the attending O. P. S. staff physician that he is an O. P. S. family member and failure to select an O. P. S. cooperating physician or to notify the attending physician concerning membership in O. P. S. shall be deemed conclusively to be a waiver of all benefits hereunder.

c. The obligation of O. P. S. to provide any of the hereinabove listed services from physicians, surgeons or

consulting specialists for any coverable case of surgery, fracture or dislocation shall be limited to a period not to exceed six (6) months immediately following the date of original diagnosis of any such case, and this limitation shall apply to any one coverable condition arising from a separate and distinct cause and shall include any and all related complications of such condition. The rendering of medical services hereunder for any other type of coverable case shall be limited to coverable periods of hospitalization, excepting as otherwise provided herein for obstetrical care.

176 The obligation of O. P. S. to provide hospital care, as defined hereinabove, is limited to a period not to exceed twenty-one (21) days for each particular physical disability arising from a separate and distinct cause. Hospital care will be provided only while a family member is necessarily confined to a hospital as a registered bed patient for the treatment of a coverable condition under the care of an O. P. S. cooperating physician. Hospitalization shall not be furnished hereunder for a rest cure or for the purpose of diagnosis only.

d. In conditions necessitating hospitalization beyond twenty-one (21) days, O. P. S. will pay or reimburse the costs of hospital care as defined above in an amount not to exceed fifty (50) percent of such costs for a maximum period of not to exceed ninety (90) days immediately following twenty-one (21) day period.

e. Family members traveling or temporarily outside of the State of Oregon are entitled to reimbursement for the expenses of coverable hospital care obtained outside of the State of Oregon up to a maximum of six dollars ($6.00) per day for a period not to exceed twenty-one (21) days in any coverable case. O. P. S. liability for emergency professional services coverable hereunder and obtained outside of the State of Oregon (other than hospital services) shall not exceed fifty dollars ($50.00) for any coverable case. Services hereunder are limited to the continent of North America.

In the event that coverable services stipulated hereunder should be obtained by a family member from any Oregon hospital which may require payment

therefore direct from the patient involved, then, and in that event, O. P. S. shall be responsible for reimbursement for such service costs only up to a maximum of six dollars ($6.00) per day for a period not to exceed twenty-one (21) days for any coverable case.

f. In addition to services specifically provided elsewhere herein, for certain cases, O. P. S. will defray the cost of hospital emergency room charges for the treatment of accidental injuries, provided the use of emergency room service occurs within twenty four (24) hours following the time of accident.

g. O. P. S. will defray the cost of pre-natal, post-natal and obstetrical professional service rendered by co-operating staff physicians, to the extent hereinabove specified in paragraph I (d), and will provide hospital care for childbirth to the extent stipulated in paragraph II (m), under the following conditions:

(1) The member must be in a dues-paying two or more person family (including the employe group member) or must be an employe-member under the original employe agreement, and

(2) The maximum liability for professional service to be provided by O. P. S. shall not exceed fifty dollars ($50.00) in cost in any twelve months' period, and

(3) The maximum hospital service to be provided by O. P. S. shall not exceed sixty dollars ($60.00) in cost in any twelve months' period, and

(4) The member requiring such services must have been a member in good standing for at least ten (10) consecutive months immediately preceding her need for such professional and/or hospital care.

177 h. O. P. S. shall not be responsible or liable to any member if hospitalization is unavailable as a result of epidemic, public disaster or other causes or conditions beyond its control.

i. The following services are expressly excluded and O. P. S. shall bear no liability concerning such services:

(1) Services for injuries or diseases for which the member is entitled to receive disability benefits or compensation or care or rights of action under any Workmen's Compensation or Employers' Liability Law.

(2) Extraction of teeth or other services incident to the treatment of diseases and injuries of the jaw and its dependent tissues which customarily are performed by dentists.

(3) Services for preexisting conditions, conditions resulting from childbirth not coverable under this contract, quarantinable diseases, tuberculosis, insanity, acute or chronic alcoholism, use of drugs or narcotics, venereal diseases, deformities, congenital physical defects, attempts at suicide and conditions resulting from criminal acts.

j. The expressed written opinion of any O. P. S. cooperating physician attending any particular case shall be final with reference to the necessity for services stipulated hereunder for such case and also with reference to the status of such case regarding diagnosis, treatment or preexistence. However, O. P. S. reserves the right, at its option, to utilize the services of one or more specialists in the determination of the status of any case.

k. Service rights or benefits stipulated hereunder are not transferable from any member to any other person.

l. In the event that a family member should desire to utilize hospital room service of a higher cost classification than that provided hereinabove, O. P. S. will bear the cost thereof up to the service level provided hereinabove.

m. The benefits of this contract do not apply to any injury or illness of any family member caused by the negligence or wrongful act of any other person, except to the extent that if a family member entitled to the benefits of this contract shall be injured, or shall suffer illness, because of the wrongful act or negligence of any other person and thereafter shall make all reasonable efforts to recover from such other person and anyone responsible or answerable

for such other person's negligence or wrongful act, O. P. S. will procure for such family member the benefits of this contract which cannot be made available out of funds reasonably recoverable from, or through, such other person. Such funds shall be deemed not reasonably recoverable from, or through, such other person if it shall reasonably appear that should an action therefor be prosecuted, and judgment therefor be obtained, against such other person and anyone responsible or answerable for such other person's negligence or wrongful act, execution on such judgment would be unavailing.

n. Professional services of cooperating physicians and surgeons and twenty-four (24) hours hospitalization within the general limitations stipulated herein will be furnished for the removal of tonsils and/or adenoids for any family member provided such member has been covered continuously hereunder for at least twelve (12) consecutive months immediately preceding the need for such service.

178 IV. *Payroll deductions and payments for subscribing family members.*

In consideration of the agreements hereinabove set forth, to be kept and performed by O. P. S. the Employer agrees to arrange payroll deductions from the salaries of employe-group members who elect to have their families participate hereunder and to pay O. P. S. for the coverage of such participating family members on or before the fifteenth day of each and every month hereafter during the time this supplemental agreement shall remain in effect, as follows:

a. Two dollars ($2.00) per calendar month for each participating spouse (not otherwise subject to O. P. S. coverage) of an employe-group member.

b. One dollar and thirty-five cents ($1.35) per calendar month for the first participating child of an employe-group member.

c. Seventy-five cents ($.75) per calendar month for the second participating child of an employe-group member.

d. Fifty cents ($.50) per calendar month for the third participating child of an employe-group member.

e. No additional charge for additional children, if any, in excess of three.

f. Any spouse eligible for coverage hereunder may enroll up to the age of sixty-five (65) years.

g. Any unmarried child eligible for coverage hereunder may participate providing the age of such child is not less than thirty (30) days or more than eighteen (18) years. Upon reaching the age of nineteen (19) years, or upon becoming married at a younger age, any previously participating child may apply for continuance of coverage in accordance with the regulations established by O. P. S.

h. Coverage hereunder, and payments of premiums therefor, shall apply only to the immediate family of the group-employe member who subscribes for this family service. Such immediate family shall include the spouse and unmarried children not less than thirty (30) days or more than eighteen (18) years of age. Only the entire immediate family as a unit, including all eligible members, shall be subject to coverage hereunder.

V. *Effective period and termination provisions.*

It is understood and agreed by and between the parties hereto that this supplemental agreement shall remain in full force and effect from the ..... day of ....., 19....., to the thirty-first of December 19....., or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement may be terminated or rescinded by either party by rendering thirty days advance notice in writing to the opposite party that the supplemental agreement herein contained is being violated. In the event that payment shall not be received from the Employer in accordance with Section IV hereof, O. P. S. shall have the right to cancel this supplemental agreement at any time by rendering fifteen days advance notice in writing of such cancellation.

It is further agreed that this supplemental agreement may be terminated in accordance with the provisions stipulated herein entirely independently from the original group-employe agreement and that the termination of this supplemental agreement shall not be construed as cancellation or termination of the original group-employe agreement. However, cancellation or termination of the original

group-employe agreement in accordance with the terms thereof shall be construed expressly as concurrent cancellation or termination of this supplemental agreement.

178a In the interests of making this contract service as satisfactory as possible for subscribing family members at all times and of insuring the continued stability of the coverage plan from the cost standpoint, it is further agreed that O. P. S. shall have the right to change or amend any of the benefits and/or premium rates provided herein to be effective as of the first day of any month by rendering written notice to the Employer concerning such revisions at least forty-five (45) days prior to the effective date of such revision. However, in such an event the Employer shall have the privilege of terminating this supplemntal agreement effective on the first of the month date of proposed change by sending written notice of such termination to O. P. S. at least fifteen (15) days prior to such date.

While by its terms this supplemental agreement expires on the thirty-first day of December 19...., it is agreed that unless one party to this supplemental agreement gives to the other, at least fifteen (15) days before the expiration of said period, written notice of its election that the supplemental agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least fifteen days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in duplicate, by their respective officers, pursuant to the authority heretofore granted, as of the date first hereinabove written.

..... OREGON PHYSICIANS' SERVICE

EMPLOYER

By ..... By .....

Title ..... Manager

still procure, subject to the provisions of this contract, hospital, medical and surgical treatment, and other services, in the following cases:

(a) Accidental injury sustained by the member during the term of his coverage, except that resulting from an industrial accident;

(b) Acute illness suffered by the member during the term of his coverage, except acute illness symptomatic, diagnosed and being treated, or symptomatic, or diagnosed, or being treated, at the time when the member will first become entitled to the benefits of this contract.

(c) Chronic illness which will have originated after the member's first six months of continuous coverage hereunder will be entitled to the benefits of this contract. Chronic illness which will have become active or will have manifested itself during the member's first six months of coverage under this contract, will not be covered nor be subject to the benefits of this contract. A chronic illness originating, or diagnosed or treated, or becoming symptomatic, prior to the time when the member will have first become entitled to the benefits of this contract is not covered by this contract. A "chronic illness", as used herein, is defined to be an ailment of prolonged duration characterized by slowly progressing symptoms, as differentiated from an "acute illness", which hereby is defined to be an ailment of recent origin progressing speedily to a crisis and requiring immediate medical and surgical care or immediate medical or surgical care. The term "chronic" disease shall specifically include, without being limited to, such conditions as goiter, stomach ulcers, gall stones, kidney stones, traumatic deviated septums, sinus conditions, hernia, cancer (including treatment by radium), diseased tonsils, tuberculosis, neoplasms, chronic appendicitis, heart disease, diseases of the prostate gland and diseases of the female reproductive organs.

13. EXCLUSIONS AND LIMITATIONS:

(a) The benefits of this contract do not apply to any of the following: Neither industrial accidents, nor injuries nor diseases falling within the provisions of any industrial insurance or Workmen's Compensation Law or contract (whether the member or his employer will have elected to accept, or to reject, the benefits of such law or contract) to which the member is, or could be, eligible, nor insanity, mental disorders, pregnancy nor childbirth, nor any results of any thereof; nor conditions requiring dental services of any type customarily performed by dentists, nor venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects, attempts at suicide, injuries resulting from professional competitive sports, nor any result of any thereof, nor injuries nor illnesses, sustained in, or resulting from, the member's commission of a crime, nor any condition excluded by any other provision of this contract, nor any condition which will be active, symptomatic, diagnosed, or under treatment, at or before the time when the member will become entitled to the benefits of this contract, nor injuries occurring to the member prior to his becoming entitled to the benefits of this contract, nor injury resulting from an act of personal violence in which the injured member will have been the aggressor, nor injury nor illness sustained by the member as a result of his use of intoxicating liquor, drug or narcotic if the use of such intoxicating liquor, drug or narcotic will have been a primary cause of such injury or illness. Certification in connection with any physical examination incident to services rendered hereunder shall not be the responsibility of O.P.S.

(b) O.P.S. shall not be required to procure hospital, nursing or ambulance services for diseases, or the results thereof, subject to quarantine, but O.P.S. will procure physician's services in such cases when necessary.

(c) All benefits provided for by this contract are, and will be, limited to one year from the date of first treatment of any specific condition involved, resulting from a separate and distinct cause. The procurement of hospital care is, and will be, limited to sixty (60) days of full service, plus an additional sixty (60) days for which O.P.S. will accept responsibility for one-half of the cost, excepting that in a case involving a cerebral condition, tuberculosis, malignant neoplasms, heart diseases, or cardiovascular renal disease the period of hospital service is, and will be, limited to sixty (60) days. O.P.S.' responsibility for procuring hospital and sanitarium care, or hospital or sanitarium care, for a tuberculosis case is, and will be, limited to a cost not greater than that prevailing in a case receiving sixty (60) days of care at the Oregon State Tuberculosis Hospital. The procurement of a private-room is, and will be, limited to fifteen (15) days in any one case. The period of fifteen days provided herein for private room accommodations shall be deemed part of the total hospital and sanitarium care, or hospital or sanitarium care, provided for herein. Special nursing care is, and will be, limited to fifteen (15) days' service in any one case.

(d) Materials for allergy treatment will not be procured. O.P.S. will procure such services of a physician or surgeon cooperating with O.P.S. as will be required for the performance of necessary blood transfusions, and the cost of procuring blood, if it be provided by professional donors, will be borne by O.P.S.

(e) The benefits of this contract do not apply to any injury resulting from employment, or any result thereof, it being understood that the medical, surgical, hospital and other care for such cases are, and will be, procured (if procured) under the supervision and control, and at the expense, of the State Industrial Accident Commission, or other insurance carrier, or the Employer, or others, and not O.P.S.

(f) The benefits of this contract do not apply to any injury or illness of the member caused by the negligence or wrongful act of any other person, except to the extent that if the member entitled to the benefits of this contract shall be injured, or shall suffer illness, because of the wrongful act or negligence of any other person and thereafter shall make all reasonable efforts to recover from or it other person and anyone responsible or answerable for such other person's negligence or wrongful act, O.P.S. will procure for the member the benefits of this contract which cannot be made available out of funds reasonably recoverable from, or through, such other person. Such funds shall be deemed not reasonably recoverable from, or through, such other person if it shall reasonably appear that should an action therefor be prosecuted, and judgment therefor be obtained, against such person and anyone responsible or answerable for such other person's negligence or wrongful act, execution on such judgment would be unavailing.

(g) In order to make it financially possible for O.P.S. to procure the services stipulated in this contract, the member, when requiring hospital care, surgical operations or medical services for any of the conditions covered by this contract, shall be entitled thereto only in hospitals approved by O.P.S. for rendering such services, and by physicians, surgeons and specialists cooperating with O.P.S. (who, for convenience, are described in this contract as "cooperating" physicians, surgeons or specialists) for this purpose, except as provided otherwise for emergency services.

(h) No benefit, right or interest of the member under this contract can be assigned or transferred, and any such attempted assignment or transfer shall be invalid and void.

14. PAYMENTS OF ENROLLMENT FEE AND DUES AND SUBSCRIPTION REQUIREMENTS. In consideration of the agreements hereinabove set forth, to be kept and performed by O.P.S., the member hereunder agrees to pay to O.P.S. the single enrollment fee stated below, and dues on an advance quarterly basis, with a grace period of ten (10) days at the start of each quarterly period, in accordance with the application card pertaining to this contract and hereby made a part hereof, during the time this agreement shall remain in effect, as follows:

(a) Single enrollment fee of one dollar ($1.00), payable only once for each continuous period of coverage.

(b) Ten dollars and fifty cents ($10.50) per quarter (three months) as dues.

(c) Only the employed individual member is, or shall be, eligible for coverage hereunder. However, this contract shall in no way affect, or interfere with, possible coverage of members of the employed individual's family under another type of O.P.S. coverage.

(d) Any employed individual eligible for coverage hereunder may enroll up to the age of sixty-five (65) years.

15. EFFECTIVE PERIOD AND TERMINATION PROVISIONS. It is understood and agreed by and between the parties hereto that this agreement shall remain in full force and effect for one year beginning with the effective date stated in the application card pertaining hereto. In the event that payment shall not be received in accordance with Section 14 hereof, O.P.S. shall have the right to cancel this agreement at any time by rendering notice in writing of such cancellation, to be effective at the end of the period for which dues previously have been paid.

In the interests of making this contract service as satisfactory as possible for the subscribing member at all times and of insuring the continued stability of the coverage plan from the cost standpoint, it is further agreed that O.P.S. shall have the right to change or amend any of the benefits and/or rates of dues provided herein to be effective as of the first day of any month by rendering written notice to the member concerning such revision at least forty-five (45) days prior to the effective date of such revision. However, in such an event the member shall have the privilege of terminating this agreement effective on the first of the month date of proposed change by sending written notice of such termination to O.P.S. at least fifteen (15) days prior to such date. O.P.S. reserves the right to readjust, refund or bill additional dues hereunder, if such may be necessary in making the stipulations of this section effective.

While by its terms this agreement expires at the end of one year from the effective date stated on the application card pertaining hereto, it is agreed that unless one party to this agreement gives to the other, at least fifteen (15) days before the expiration of said period, written notice of its election that the agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least fifteen (15) days prior to the expiration of any contract year one party shall give to the other written notice of its election so to terminate.

OREGON PHYSICIANS' SERVICE

Semi-Full Coverage CERTIFICATE

For Employed Individuals

This certificate provides specified coverage for: Medical and surgical services; Services of specialists; Hospital services; Ambulance service; Certain allied services.

OREGON PHYSICIANS' SERVICE

1214 S.W. 6th Ave., Portland 4, Oregon
455 Ferry Street, Salem, Oregon
225 Medford Building, Medford, Oregon

SPONSORED AND APPROVED BY THE OREGON STATE MEDICAL SOCIETY

You Should Read Your Agreement

The summary on the reverse side of this identification card is not a contract, nor does it include all the provisions of the Service Certificate to which this card was attached. Each member's benefits are expressly subject to all additional provisions of the Service Certificate and to O.P.S. rules and regulations governing the rendering of medical and hospital services.

OREGON PHYSICIANS' SERVICE OFFICES

455 Ferry Street	225 Medford Bldg.	1214 S.W. 6th Ave.
Salem	Medford	Portland 4, Ore.

PRESENT THIS CARD TO THE DOCTOR ON YOUR FIRST VISIT, AND TO THE HOSPITAL UPON ADMITTANCE

In each instance the doctor or hospital will notify O.P.S. that medical or hospital service is being rendered. O.P.S. will verify the subscriber's status and his eligibility for service and acknowledge responsibility to the doctor and/or hospital.

The presentation of an identification card does not necessarily guarantee acceptance of liability by O.P.S.; nor can the doctor or hospital obligate the Service Plan. This can be done only by one of the O.P.S. offices.

The Service Plan cannot honor, except in emergencies, medical or hospital bills resulting from treatment by doctors other than staff physicians and surgeons. Be sure the doctor you select is on the O.P.S. list of cooperating physicians and surgeons. Lists are available at O.P.S. offices.